

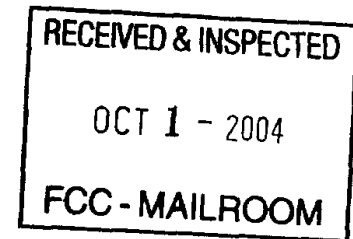
Ernie Fletcher
Governor



LaJuana S. Wilcher
Secretary

Commonwealth of Kentucky
Environmental and Public Protection Cabinet
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460

September 30, 2004



Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
9300 East Hampton Drive
Capitol Heights, Maryland 20743

Irene M. Flannery
Vice President – High Cost and Low Income Division
Universal Service Administrative Company
2000 L Street, N.W., Suite 200
Washington, D.C. 20036

DOCKET FILE COPY ORIGINAL

Re: CC Docket No. 96-45
Annual State Commission Rate Comparability Review and Certification
for Areas Served by Non-rural Carriers

Dear Mmes. Dortch and Flannery:

In accordance with Title 47 Code of Federal Regulations Section 54.316(b), the Public Service Commission of Kentucky hereby certifies that the residential telephone rates charged for service as of July 1, 2004, are reasonably comparable to urban rates nationwide.

In its *Order on Remand, Further Notice of Proposed Rulemaking, and Memorandum Opinion and Order* released in the above-referenced docket on October 27, 2003,¹ the Federal Communications Commission established an annually-adjusted nationwide rate benchmark as a "safe harbor." Based upon the "safe harbor," rates in rural, high-cost areas that are below the benchmark are presumed to be reasonably comparable to urban rates nationwide. The residential rates in rural areas served by

¹ *Order on Remand, Further Notice of Proposed Rulemaking, and Memorandum Opinion and Order*, CC Docket No. 96-45, FCC 03-249, 18 FCC Rcd 22559, rel. October 27, 2003.

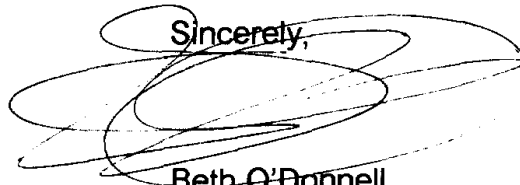
Noted by [signature]
List ASODE

Marlene H. Dortch
Irene M. Flannery
September 30, 2004
Page 2

ALLTEL Kentucky Inc., BellSouth Telecommunications, Inc. and Cincinnati Bell Telephone, the non-rural incumbent local exchange carriers operating in Kentucky, are below the current nationwide urban benchmark of \$34.16, and as such, fall within the safe harbor afforded by 47 C.F.R. 54.316(b).

If additional information is required, please do not hesitate to contact Jim Stevens of my staff at (502) 564-3940.

Sincerely,



Beth O'Donnell
Executive Director